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DIV. OF HOUSING
POLICY DEVELOPMENT



CITY of NAPA

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September 23, 2005

Cathy Creswell, Director
Department of Housing and Community Development
Division of Housing Policy Development
PO Box 952053
Sacramento, CA 94252-2053

Re: 2005 Annual Housing Element Evaluation – City of Napa

Dear Ms. Creswell,

Attached is the City of Napa's Annual Housing Element Evaluation. The City Council reviewed and accepted the report September 13, 2005. Much progress has been made locally in the last year on housing programs and construction. Significant achievements include certification of the revised City of Napa Housing Element and County of Napa's Housing Element--shifting a portion of the County's fair share needs to the City.

Other achievements include approval and construction of a wide variety of housing types; approval of a Downtown Mixed Use and Residential Infill Strategy; approval of the Tannery Bend Design and Development Guidelines; ongoing work on the Soscol Implementation Plan; strengthening of the City's condominium conversion ordinance; completion and adoption of a LAFCO Sphere of Influence study for Napa, which brought several housing sites that are within the City's RUL into the City's Sphere to facilitate future annexations; and start of construction of a permanent homeless shelter. Housing Programs are evaluated individually in the attached report.

Very truly yours,

Richard Bottarini
Community Development Director

Records File #: _____

Retention: _____

**NAPA CITY COUNCIL
AGENDA SUMMARY REPORT
September 13, 2005**

SUBJECT:

2004-mid 2005 Development Activity Report and Annual Housing Element Update (#05-164-AD)

ORIGINATED BY:

Planning Division, Community Development Department (with assistance from Housing Authority)

DISCUSSION:

Following is a summary of residential building activity and the Annual Housing Element Evaluation for 2004-mid 2005.

1. Residential Building Activity in 2004-mid 2005

2004 Building Permits

The City Council has asked that staff periodically monitor housing activity. Building permit activity during 2004 was lower than the City's 300 unit per year average.

Only 196 residential building permits were issued plus 13 accessory second units. Of this total:

- 101 were single family detached units at Ross Estates, McKinley, Vintage Napa, Zinfandel, Napa Terrace II, and others.
- 35 were single family detached units at Pear Tree Lane, Valley Oak Villas and Sheveland Ranch.
- Apartment projects included 14 units at Pueblo Place, 29 units at Magnolia Apartments on Imola, and the first 17 units at Sheveland Ranch.
- 13 were accessory second units (8 at Valley Oak Villas)

2005 Residential Permits [first 6 months]

For the first 6 months of 2005, building permit activity was at a faster-than-average pace with 194 building permits issued plus 26 accessory second units-- primarily at Sheveland Ranch and Valley Oak Villas. Of this total:

- 15 were single family detached units at Hidden Glen, Browns Valley Road and others.
- 127 were single family attached; 72 of these were at Sheveland Ranch, 40 at Valley Oak Villas, 6 at The Grove on Wise Drive and 9 at El Centro Commons on Lavender Place.
- 51 were apartments at Sheveland Ranch.
- 27 were accessory second units; 21 of these were at Valley Oak Villas

Larger projects that have pulled building permits since June or that may pull building permits in the next 6 months include:

- A few additional homes at 37 lot Hidden Glen subdivision
- Homes in the 7 lot Highland Court Subdivision, Highland Drive
- Additional units at Sheveland Ranch (About 60% building permits have been issued for this 300 unit subdivision and apartment development)
- Some single family homes in the 22 unit Christensen Subdivision, Big Ranch Rd.
- Up to 5 homes in the Forest Drive subdivision
- All 9 homes at the Mayfield subdivision, Maximillian Court (off Jefferson) (all permits issued)
- Up to 8 homes at Cottage Cove on Berna.
- 1 more home at the Johnson Subdivision (5 permits issued)

Project Approvals 2004-mid 2005

Residential Project Approvals in 2004 were low compared to prior years, totaling 172 units and 31 accessory second units of which more than half were single family detached units in smaller subdivisions. Single family attached units included 73 units at Valley Oak Villas, The Grove and El Centro Commons. 3 duplexes (6 units) were approved on Brown Street. *Staff notes that all three condominiums and many of the subdivisions that received approval in 2004 are already under construction.*

Residential Project Approvals in the first 6 months of 2005 have totaled 163 units plus more than 25 accessory second units. Of these, 51 are single family detached units at Napa Terrace (Capitola), Terrace Drive Estates and a few small subdivisions; 62 are single family attached units at Appella on California and Napa Creek Condominiums on First Street.; and 50 are condominiums or apartments (to be determined) at the Channel Riverfront Mixed Use Project . A new county homeless shelter is also under construction on the Gasser site.

Pending Applications

Pending applications continue to be numerous, although the timing of their construction (if approved) is difficult to predict. Pending projects, particularly larger ones, often change through the planning process, and some are withdrawn or denied. Once approved, financing is sought, then final improvement plans are prepared which go through Public Works and building permit review. Larger projects are usually phased based on market conditions. Once construction is underway, single family homes typically take about 6 months and apartments at least 12 months to complete. A few projects receive approvals but do not proceed.

Recognizing such uncertainties, pending applications as of June 30 (not including pre-applications) include:

Gasser Mixed Use Master Plan	Soscol Avenue	300-350 apt.s; 100-150 townhomes; 24 unit transitional housing facility and commercial uses.	(EIR under preparation).
Hussey Ranch	Partrick Road	71 lots	(EIR under preparation)
Golden Gate Village	Imola W.	17 apt.s	
Anderson	Wyatt	49 lots	
Napa Valley 8	No. Jefferson	8 lots (7 net new)	
Trestle Grove	Main	6 lots	
Brown	Big Ranch	8 lots (approved 8/05)	
River Park Townhomes	S. Jefferson	58 townhomes (56 net new)	
Carmel	Carmel Drive	44 lots; includes General Plan Amendment	
Jasna Commons Mixed Use	Walnut	8 condos + 2,500 sq. ft. commercial	
Hawthorne II	Solano	44 apartments	
Baker/Laurel	Laurel St.	8 lots; includes General Plan Amendment	

Mis'c projects up to 5 units in size

27 lots/units

769-869 lots/units (60% on Gasser site)

As for the Channel Riverfront Mixed Use Project, approved in 2005, timing of the Gasser residential is related to flood project construction. This "pending units" total is similar to the 2003 total and includes some of the same projects.

"Even Rate of Growth" and Development Activity.

The City's 2004 building permit totals are well within the City's "even rate of growth" pace. General Plan projections, developed in April, 1994, projected another 7,840 homes by 2020, which is an average of 304 units per year. The City has issued an average of 280 units/year over the last 15.5 years, and 277 units/year since April, 1994. Reviewing the building permit activity chart finds that since 1994, there have been only 2 years when total residential development has exceeded 300 units per year. In future years, there are very few projects large enough to cause an increase over the average rate of growth. Considering existing projects under construction, added projects considered by staff to be likely to pull permits in the second half of the year, and discussion with the Sheveland Ranch project manager, permits are expected to stay within the 304 units/year.

The Annual Housing Element Evaluation for 2004-mid 2005 outlines progress the City has made in accomplishing policies and programs in the City's Housing Element. This is a report required by the State Department of Housing and Community Development.

FINANCIAL IMPACT

None

CEQA DETERMINATION: Exempt per section 15061 of the State CEQA Guidelines

DOCUMENTS ATTACHED:

Annual Building Permit Activity
Annual Housing Element Evaluation

COUNCIL ACTION REQUESTED:

For information only; no action required.

PRIMARY PARTIES NOTIFIED

Former Housing Advisory Commission members

Clerk Ref: J Hasser

Attachment 1 City of Napa Building Permit Activity

Year	SF Detached	SF Attached	Duplex	3plex 4plex	5+ Apt. units	Total new units	Cum new units
90	318	0	10	8	64	400	400
91	157	77	2	4	213	453	853
92	115	0	14	4	0	133	986
93	132	0	16	3	57	208	1194
94	202	5	2	0	10	219	1413
95	182	11	0	0	0	193	1606
96	113	0	2	0	0	115	1721
97	96	9	0	0	0	105	1826
98	221	22	10	0	25	278	2104
99	326	16	4	4	115	465	2569
00	229	0	0	4	0	233	2802
01	112	0	0	3	132	247	3049
02	108	0	24***	0	593***	725	3774
03	80	82	2	3	30	197	
04	101	35	14	29	17	196(+)	4167
mid 05	15	128	--	--	51	193(+)	4361

(+) See note re: accessory second units

1999 projects included 102 low income family units, Silverado Creek Apts., Villa Lane

2001 projects included 115 senior low income units at The Reserve, Trancas

2002 projects include:

- 24 duplex units at La Homa Village
- 200 apartments at Von Uhlig Ranch (Montrachet)
- 200 apartments at Hawthorne Village, Solano
- 115 senior low income apartments at The Vintage on Redwood Road
- 78 senior low income Jefferson Street apartments just north of Trancas

2003 projects include:

- 2 duplex units at Wine Valley Cottages
- 3 unit apartment (net 2 new) Clay Street (Pepi)
- 30 unit apartment Lincoln Gardens
- 82 single family attached at La Homa Village and Pear Tree Lane
- 80 single family detached at McKinley, Scenic Place, Vintage Napa on El Centro, mis'c

2004 projects include

- 29 unit low income Magnolia Apartments
- 17 apartments at Sheveland
- 14 duplex low income apartments at Pueblo Place
- 101 single family detached at Ross Estates, McKinley, Vintage Napa, Zinfandel, Napa Terrace, etc.
- 35 single family attached at Pear Tree Lane, Valley Oak Villas and Sheveland Ranch
- (+13 accessory second units or granny units, 8 of which are at Valley Oak Villas)

2005 projects (through June include)

- 51 apartments at Sheveland Ranch
- 15 single family detached at Hidden Glen, Johnson, Napa Terrace II and mis'c.
- 127 single family attached at Sheveland, Valley Oak Villas, El Centro Commons and The Grove
- (+27 accessory second units or granny units, 21 of which are at Valley Oak Villas)

ATTACHMENT 2

HOUSING ELEMENT EVALUATION (2004-mid 2005)

Background

The City's General Plan Housing Element was adopted December 4, 2001 and formally certified by the State Department of Housing and Community Development on March 26, 2002. It establishes City goals and policies relating to future housing and our residential neighborhoods. In February, 2005, the Housing Element was updated to incorporate a portion of the County's regional "fair share" housing needs. The revised Element was certified by the State in April, 2005.

Key findings from the housing element's 2001 community-based process were that

- ☐ All types of market rate housing are generally *not* affordable to low and very low income households, and single family homes are *only* affordable to above moderate income households;
- ☐ The City's housing stock is predominantly single family;
- ☐ The city's available land supply is limited;
- ☐ There is a very tight housing supply, especially for market rate rentals; and
- ☐ Housing costs are relatively high compared to salaries for many local jobs.

These findings are generally unchanged over the past year, however, the completion of Hawthorne Village Apartments has increased apartment vacancy rates from less than 1% to about 3%, still a low rate.

The **Housing Element Vision** is that Napa in 2020 will be a balanced, vital and evolving community with a socially and economically diverse population that has preserved our small town feel and heritage, sense of community, beautiful natural environment, attractive neighborhoods, vital and diverse businesses and adequate services. There will be lots of housing types and choices so that people can live, work and play here. Neighborhoods show pride in their design and maintenance. Support systems are in place to help the disadvantaged. Infrastructure is improved and services work well. We will be able to get around easily and safely. There will be lots of interaction and community involvement, and a commitment to action on housing programs.

Major Housing Element Policies to accomplish this Vision are to

- ☐ Make efficient use of vacant and built on land within the RUL to help maintain the city's agricultural environment and open space;
- ☐ Promote housing opportunities to meet needs of Napa's workforce
- ☐ Encourage a greater mix of housing types to meet needs and provide greater housing choices
- ☐ Retain existing multi family sites for multi family uses
- ☐ Support and encourage new affordable housing projects
- ☐ Assure high quality, well designed housing that fits the surrounding neighborhood

- ❑ Promote the development and rehabilitation of housing to meet local population needs of special needs groups such as seniors and the disabled.
- ❑ Encourage legislative changes, outreach and increases in resources to provide for housing needs

Accomplishments

These and other Housing Element policies set the stage for many programs to accomplish the goals. As required by State Housing Law, programs must be specific and quantifiable so they can be monitored and assessed over time. This report is the second annual Housing Element review to describe specific progress being made.

Over the past 18 months, progress continued in several fronts:

- ❑ A significant housing achievement in 2004-5 has been the approval and **State certification of the City of Napa and County of Napa's Housing Element to shift a portion of the County's fair share needs** to the City. The was a result of a 2003 cooperative agreement between the City and County of Napa to shift housing needs assigned to the County to the City in exchange for revenue sharing and other measures. The Housing Element promoted a city/county housing commission to look at city/county issues. The cooperative effort that has evolved through the Napa County League of Governments as part of a Countywide Development Strategy has exceeded expectations. In 2005, the City received an American Planning Association award for Outstanding Planning Implementation for this effort.
- ❑ **Approval and Construction of a wide variety of housing types** continued in 2004-5.
 - Approval of the Channel Riverfront mixed use project, the first new residential/retail/office mixed use project in Downtown Napa was approved. It includes 50 residential units.
 - Ongoing construction of the 304 unit Sheveland Ranch, an apartment and attached single family homes development with up to 22 accessory second units; and Valley Oaks Villas, a 56 unit single family attached development with 29 accessory second units
 - Start of construction of homes at the 37 unit Hidden Glen subdivision, as well as smaller subdivisions in Browns Valley, Alta Heights, Terrace Shurtleff and north Napa neighborhoods.
 - Construction of the 14 unit low income Pueblo Orchard Townhomes, and two other townhome projects off of El Centro and Wise Drives.
 - Approval of the 26 unit Napa Creek Condominiums off of First Street and the 36 unit Appella subdivision off of California Blvd.
 - Completion of the 29 unit affordable Magnolia Park Apartments off of Shurtleff, which includes 14 units set aside for permanent farmworker housing.
- ❑ **The Downtown Mixed Use and Residential Infill Strategy** was approved to facilitate multi family residential infill and residential mixed uses in the Downtown by reducing parking requirements and slightly increasing densities.
- ❑ **The Tannery Bend Design and Development Guidelines** was approved to facilitate mixed use development along with west bank of the Napa River south of Downtown.

- ❑ Ongoing work on the **Soscol Implementation Plan**, which includes several technical studies to facilitate and increase residential mixed use development in the Soscol area.
- ❑ The **City's Condominium conversion ordinance** was strengthened by increasing the vacancy rate before condominium conversion of apartments is permitted to 5%, limiting the number of condominiums that may be approved in any year; increasing tenant relocation provisions, and requiring inclusionary units in any condominium project.
- ❑ Completion and adoption of LAFCO's **Sphere of Influence Study** for Napa, which creates general conformity between the City's Rural Urban Limit Line and the LAFCO Sphere, setting the stage for future Annexation of some major residentially-designated properties on the northeast and southwestern edges of the City.
- ❑ Start of construction of a new, permanent **58 bed homeless shelter** on the Gasser site to replace the temporary shelter across the street from the County Administration Building. This is an outcome of cooperative efforts between the City and County on the Housing Agreement.
- ❑ While recognizing more can be done in the future, **resources** continue to be made available for affordable housing --and for neighborhood improvements. Inclusionary fees and refinancing of a redevelopment bonds provide additional resources.

The attached summary lists the numerous specific programs in the Element, with more detailed information evaluating each.

CITY OF NAPA
ANNUAL HOUSING ELEMENT REVIEW (2004-mid 2005)

The City's Housing Element was adopted December 4, 2001 and certified by the State Department of Housing and Community Development on March 26, 2002. It established a number of specific programs that need to be accomplished in the 1999-mid 2007 time frame. (Time frame was adjusted by the State from 2006 to 2007) Recognizing limited staff and budget resources, some of the programs have time frames beyond 2005 and are not discussed beyond noting "Later time frame". However, substantial progress has been made by mid 2005 on many Housing programs as described in the following summary.

In addition, the City's Housing Element was amended on February 1, 2005 to incorporate a portion of the County's regional "Fair Share" housing need. The Amendment was certified by the State on April 14, 2005. A second Housing Element Amendment modifying the City's Condominium Conversion program was adopted on June 7, 2005. The summary lists the Housing Element program, followed by a brief evaluation.

Goal 1: A Vital and Diverse Community.

H-1.A Multi Family Densities. The City shall reconsider General Plan Multi Family pod density ranges for potential increases up to 40 units per acre where possible (e.g., where traffic conditions, parks and other services would be adequate; and/or near transit stops and other services); and/or on key sites/areas already designated multi family or mixed use.

Responsibility: Planning Department
Financing: Staff time
Objectives: General Plan Amendment to increase Multi Family density ranges
Time Frame: 2004

Evaluation: All Mixed Use pods have multi family density ranges of up to 40 units per acre. Multi-Family Residential pods do have varying density ranges based on their context, which in general appear to be appropriate, and no overall program to revise these density ranges has occurred, particularly given recent State Law changes that facilitate density bonuses. During 2004, the Council adopted a General Plan Amendment to permit an increase in residential multi family densities up to 45 units per acre in Downtown if certain criteria are met.

H-1.B Land Use Designations. The City shall reconsider larger parcel land use designations in the Golden Gate Drive area for potential increases in single family densities and additional multi family use.

Responsibility: Planning Department
Financing: Staff and consultant time to develop Specific Plan
Objectives: Adopt Specific Plan (or similar planning effort)
Time Frame: 2004-5

Evaluation: The Golden Gate area was just added to the City's Urban Service Area by LAFCO on June 6, 2005 (Resolution 05-15), which needed to occur prior

to an annexation application. The LAFCO Sphere of Influence Study had been pending since 2001. Specific Plan (or a similar Master Plan effort) may occur in conjunction with a development application. No City funds have been available or budgeted for this work during 2005-07. It is noted that the Golden Gate area has always been assumed to be a longer term housing site, beyond the 2007 time frame of this Housing Element.

H-1.C Senior Projects. To provide for wise use of land resources, the City shall require a market analysis when new senior projects over 10 units in size are proposed to identify the ability of these projects to meet local area needs. The City may then consider action or policy to discourage such projects when they are not responsive to local needs, and as an alternative, emphasize workforce and family based housing.

Responsibility: Planning Department
Financing: Private sources as part of development review
Objective: Evaluate need for added senior housing, given limited land supply
Time Frame: As projects are submitted

Evaluation: No market rate senior project applications were submitted in 2004 to mid 2005.

H-1.D Density Bonus Revisions. The City shall continue to permit increases in density above the maximum general plan and zoning density ranges consistent with state law (Govt Code 65915) and the City's local ordinance. The local density bonus ordinance shall be amended as necessary for consistency with State law.

Responsibility: Planning Department and City Attorney
Financing: Staff time
Objectives: Modify density bonus ordinance
Time Frame: 2002 as part of Zoning Ordinance update

Evaluation: The Comprehensive Zoning Ordinance Update adopted by the Council August 12, 2003 incorporated revised density bonus provisions consistent with State law. (ZO Section 17.52.130)

However, in January, 2005 the State revised density bonus law; a draft ordinance has been prepared consistent with these revisions. Other revisions to density bonus law are under consideration at the State level; local revisions will consider any further changes.

H-1.E Density Bonus for Multi Family. The density bonus ordinance shall be amended to incorporate language that specifies the amount of the bonus which may be provided in multi family zone districts for qualifying projects defined in H-1.6.

Responsibility: Planning Department and City Attorney
Financing: Staff Time
Objectives: Specific Revision to Density bonus ordinance
Time Frame: 2002 as part of Zoning Ordinance update

Evaluation: Completed. See H-1.D. The H-1.6 provisions are found in Section 17.52.130 D.1.g.

H-1.F Market Analysis. The City shall focus housing and employment development efforts by preparing a study which analyzes recent and anticipated types, numbers and incomes of jobs by industry, sets up an ongoing monitoring program, and develops strategies to further address housing and jobs linkages.

Responsibility: City Manager and Redevelopment Agency
Financing: General Fund
Objectives: Improve focus of housing and employment development efforts
Time Frame: 2004

Evaluation: Not completed. However, countywide efforts are underway to address jobs needs. As part of the County General Plan update, the County will be conducting an Industrial Development analysis to determine how much industrial land is needed/available for future development.

H-1.G Job Impact Analysis. The City shall analyze the impact of major non-residential development proposals on increased housing demand and may require mitigation measures (above inclusionary requirements) to provide better housing and jobs balance in the City of Napa.

Responsibility: Planning Department
Financing: Staff Time; private impact analyses
Objective: Heightened link between jobs and housing
Time Frame: As Major Projects are reviewed

Evaluation: These job impact analyses are intended to be conducted as major projects are reviewed. The 346 room Napa Resort and Spa approval in 2002 included an 18 room employee housing dormitory as part of the project. In addition, the project will pay inclusionary fees for the entire square footage of the project. Further, the Resort operator proposed to conduct recruitments to hire local resident employees for the resort. This hotel project is still pending. The Channel Riverfront project, which includes 76,000 sq. ft. of commercial and office uses also includes 50 residential units, 5 of which are affordable inclusionary units to be affordable to moderate and lower income employees of the development.

Other pending nonresidential projects have either been smaller or are low intensity industrial use buildings. However, the City may wish to establish a threshold as to when such a job impact analysis may be required.

H-1.H Working at Home. The zoning ordinance update shall review home occupation provisions to determine whether more flexibility can be provided in standards for home occupations, and to add the possibility for live/work projects.

Responsibility: Planning Department and City Attorney
Financing: Staff Time
Objectives: Specific Revision to Density bonus ordinance
Time Frame: 2002 as part of Zoning Ordinance update

Evaluation: Completed. The Comprehensive Zoning Ordinance Update adopted by the Council August 12, 2003 incorporated greater space flexibility for home occupations, and provisions for live/work projects. (Section 17.52.240)

The Planning Commission has recommended approval of Jasna Commons, a mixed use project on Walnut St. including 2 live/work units 5 attached single family units, and a second floor unit above a first floor commercial use. The Council is scheduled to review the project in September, 2005.

H-1.I Employee Housing. The City shall, during review of major projects in mixed use areas, encourage project developers to consider and propose housing if feasible.

Responsibility: Planning Department
Financing: Staff Time
Objectives: Provision of residential/non residential mixed use as feasible
Time Frame: As projects are proposed

Evaluation: See H-1.G. In addition, the Sciambra Bakery expansion approved in 2003 in the *new-since-2000* Mixed Use "Pod 475" was encouraged to include multi family residential as part of the project and did so. This approved project includes 23 apartments on 1.04 acres of the 1.7 acre site.

H-1.J Housing Sites Study. The City shall initiate a Housing Sites study which, in part, shall review whether any surplus or potentially surplus institutional lands are appropriate for residential/non residential mixed use development and/or affordable housing.

Responsibility: Housing Authority, Planning Department, Redevelopment Agency
Financing: Staff time, General or Redevelopment Funds
Objectives: Completion of Housing Sites analysis for surplus or potentially surplus institutional lands
Time Frame: 2004 (Also see related program H-2.D)

Evaluation: The City has undertaken studies and taken other steps to identify appropriate surplus lands for residential uses/affordable housing throughout the City.

The Downtown Napa Mixed Use and Residential Infill Development Strategy identified and evaluated opportunity sites in the Downtown for residential, some of which are potentially surplus institutional lands.

The Tannery Bend Development and Design standards also reviewed sites and developed standards to facilitate residential mixed use development in that neighborhood, including certain surplus lands owned by the Napa County Flood Control and Water Conservation District.

Further, in 2004, the Napa Valley Unified School District sold a surplus school site in the Browns Valley neighborhood. The City had previously designated this site as an :AH Affordable Housing site, which requires that 40% of new units in any future subdivision include lower cost accessory dwellings.

Goal 2: Housing Types and Choices

H-2.A Zoning Incentives for Mixed Use. The Zoning Ordinance update shall review and provide for height limit bonuses up to 6 stories Downtown and 4 stories elsewhere and shared parking standards for well designed mixed use projects that mitigate impacts and incorporate substantial residential uses. Density bonuses shall also be provided for qualifying projects in accordance with State Government Code 65915.

Responsibility: Planning Department and City Attorney

Financing: Staff Time

Objectives: Specific Revision to Density bonus ordinance; 30 residential (mixed use) units

Time Frame: 2002 as part of Zoning Ordinance update

Evaluation: Completed. The Comprehensive Zoning Ordinance Update adopted by the Council August 12, 2003 incorporated the zoning incentives for mixed use described in H-2.A. (Sections 17.52.210 Height Bonus; 17.52.130 Density Bonus; 17.54.080 Shared Parking)

H-2.B Reduce Disincentives. The City shall review Public Works, Building and Fire standards to reduce or eliminate disincentives to mixed use development.

Responsibility: Planning Department

Financing: Staff Time

Objectives: Report recommending mixed use standards.

Time Frame: 2003

Evaluation: The Redevelopment Agency, in conjunction with Planning and other City Departments, adopted a *Mixed Use Strategy* for Downtown area development in 2004. The *Strategy* revised parking standards and densities to facilitate Residential Mixed Use Downtown.

In addition, the *Tannery Bend Development and Design Guidelines* were adopted in 2004 for the Tannery Bend Mixed Use "Pod 489". The document and related zoning standards were developed specifically to facilitate residential mixed uses in this area.

H-2.C Rezone Multi Family Sites. The City shall immediately rezone all sites designated "Multi Family Residential" in the General Plan to a consistent "Multi Family Residential" zoning district. (SEE APPENDIX A)

Responsibility: Planning Department and City Attorney

Financing: Staff Time

Objectives: Rezone all multi family sites to the Multi Family Zoning District

Time Frame: concurrently with Housing Element (2001)

Evaluation: Completed. A new Multi Family Residential Zoning District, and rezoning of Multi Family sites to this District was adopted December 4, 2001. The Comprehensive Zoning Ordinance Update later adopted by the Council August 12, 2003 reformatted and incorporated the 2001 Multi Family District. See Housing Element Appendix A for a listing of multi family sites.

H-2.D Multi Family Sites Study. The City shall initiate a Multi Family sites study to identify other appropriate sites for multi family use. Criteria shall include proximity to transit and/or services, environmental site constraints, and neighborhood "fair share".

Responsibility: Housing Authority, Planning Department and Redevelopment Agency
Financing: Staff Time, General or Redevelopment Funds
Objectives: Completion of Sites study for future General Plan Amendment
Time Frame: Sites study: 2004; General Plan Amendment followup 2005.

Evaluation: This "added sites" study has not been initiated due to budget and staffing constraints, with Mixed Use area studies (Downtown, Tannery, Soscol) and the "cleanup" in H-2.E below receiving priority. However, the Sciambra site and the Magnolia Apartments site on Shurtleff are new mixed use or multi family sites redesignated since 2003. An added General Plan Amendment scheduled for Council review in September, 2005 is proposed to redesignate parcels on Valle Verde Drive from single family to Multi Family Residential.

H-2.E "Clean up" Multi Family Redesignations. The City shall identify sites which were previously designated Multi Family, have been developed largely with multi family uses and make sense to redesignate Multi Family with a "cleanup" General Plan Amendment. Such redesignations would eliminate numerous nonconforming use situations and provide modest added potential on remaining vacant or underutilized lots in these areas. The study shall evaluate the potential for additional "clean up" redesignations.

Responsibility: Planning Department
Financing: Staff Time
Objectives: Additional Multi Family "cleanup" amendments
Time Frame: 2003

Evaluation: Completed. Numerous sites previously designated and zoned Multi Family and developed largely with multi family uses were identified during the detailed Zoning Ordinance review and were re-designated back to Multi Family Residential (A General Plan Amendment) and rezoned as part of the Zoning Ordinance Update package adopted August 12, 2003. This redesignation/rezoning involved 15 areas affecting approximately 210 properties and 4 condominium projects.

H-2.F New Rental Units. The City Housing Authority shall construct or assist construction of new affordable rental units for very low and low income renter households.

Responsibility: Housing Authority, Redevelopment Agency, private developers and non profit agencies including Napa Valley Community Housing and BRIDGE Housing, Progress Foundation
Financing: Possible sources of funding include: Redevelopment Agency tax increment set aside and local housing trust fund, Inclusionary zoning and density bonus program, Low income Housing Tax Credit Program, HOME Rental Construction Program.
Objectives: 236 units of affordable very low or low income rental housing for families/households.
Time Frame: 1999-mid 2007
1999-2000: Completed 45 very low income units at Pecan Court, School House Court, Silverado Creek and Whistlestop Apts. Completed 113 low income units at Pecan Court, School House Court, Silverado Creek, Whistlestop Apts. of which 79 units are credited to City and 34 to the County of Napa
2000-2005: 100 rental units, 75 for very low income and 25 for low income renter families/households.

2005-mid 2007: 30 units, 7 for very low income and 23 for low income renter families/households.

Evaluation: Exceeding Objectives. The objective set was for 236 very low and low income units; more than 400 units are either under construction or completed.

Three senior low and very low income projects totaling 310 units have been approved since the year 2000 and are completed. They include The Reserve (115 units), The Vintage (117 units) and Jefferson Street Apartments (78 units). The Reserve includes 6 very low and 44 low income units credited to County under State Government Code Section 65584.6.

In addition, the City has approved several other residential projects since 2000 that include 104-105 units restricted to low or very low income households, and a 15 unit low income project.

- o La Homa Village: includes 4 restricted very low/low income apartments—completed 2004.
- o Lincoln Gardens: 3 apartments restricted to very low income rents—completed 2004.
- o Von Uhlig/Montrache: 10 very low and 10 low income apartments—apartments completed 2004.
- o Hawthorne Village: 10 very low and 10 low income apartments—completed 2003.
- o Pueblo Orchard: 15 low income single family attached rentals—Under Construction 2005.
- o Sheveland Ranch: 13-14 very low income and 14 low income apartments—Under Construction 2005.
- o Magnolia Park Townhomes: 6 very low and 22 low income apartments (+ a managers unit)—completed 2005.
- o The Grove: 1 low income apartment – under construction 2005.

H-2.G New Ownership Units. The City Housing Authority shall construct or assist construction of new affordable *ownership* units for first time low and moderate income homebuyers. This may include Self-Help (where the future owner/resident provides labor toward the development of the units and/or assists in sharing the cost of building the units) and Community-Help new Housing, such as Habitat for Humanity, and provide incentives under the City Inclusionary Ordinance for market-rate for sale developers to construct inclusionary for-sale units. In Self- or Community-Help projects, city actions may include insuring site control or acquisition; selecting low income families who could successfully participate in the development; and selecting and overseeing a qualified contractor and/or construction sponsor who would supervise and manage construction.

Responsibility: Housing Authority, Redevelopment Agency
Financing: Self Help Housing Program; Inclusionary Zoning Program; Land Banking Program, Local Housing Trust Fund, HOME New Construction Program
Objectives: 75 units of low income ownership housing.
Time Frame: 1999-mid 2007
1999-2000: Completed 10 low income units at Las Flores Court
2000-mid 2007: 65 units

Evaluation: Five projects approved since 2000 will include 25 affordable ownership units although nearly all of these are restricted to moderate income

households given housing prices and provisions of the City's inclusionary ordinance:

Valley Oak Villas will include 6 units restricted to moderate income homebuyers—Under construction 2005.

The Von Uhlig/Montrachet project includes 8 units affordable to moderate income homebuyers—Completed 2005.

The Sheveland Ranch project includes 6 units restricted to moderate income homebuyers—Under construction 2005.

The Napa Creek Condos will include 3 units restricted to moderate income homebuyers—Approved 2005.

The Apella Condos will include 2 low and 2 moderate income units—Approved 2005.

H-2.H Self-Help Ownership Rehabilitation. The City shall assist self-help or "sweat equity" housing for first time low or moderate income homeowners through rehabilitation of existing units who can demonstrate the ability to perform the required rehabilitation to City code standards

Responsibility: Housing Authority
Financing: CDBG, HOME and inclusionary Funds
Objectives: 20 self-help ownership units
Time Frame: 1999-2006

Evaluation: No new units to date

H-2.I First Time Homebuyer Programs. The City shall expand home ownership opportunities for low and moderate income first-time home buyers by using mortgage credit certificates (MCCs), as available and the HOME and Redevelopment Down Payment Assistance Program, the Section 8 Self Sufficiency Program, the Federal Home Loan Bank down payment program (IDEA), and the State of California Calhome Program. MCC's allow tax benefits of home ownership to be used to help secure financing. Downpayment assistance grants are available from a number of sources. An Outreach and Counseling Program helps prepare eligible applicants for homeownership.

Responsibility: Housing Authority
Financing: Staff time, Mortgage Credit Certificate Program; HOME and Redevelopment Down Payment Assistance program, Federal Home Bank Loan program, Calhome program, and Outreach and Counseling Program
Objectives: Assist 112 low income households to become first time homebuyers
Time Frame: 1999-mid 2006

Evaluation: From 1999 to mid 2002, loans and Mortgage Credit Certificates were provided to a total of 93 households. This included: 98-99: 37 loans and 4 MCC's; 99-00: 28 loans and 4 MCC's; 00-01: 11 loans; 01-02: 9 loans; 02-03: 10 loans. During this latest reporting period, the Housing Authority did not issue any Mortgage Credit Certificates due to the high cost of for sale housing and few units being available for sale that met the purchase price limitation. To date, the Housing Authority has expended \$21,838,761 MCC authority, issuing 201 MCC's to first time homebuyers.

During 2004-05, the Housing Authority continued to administer the First Time Homebuyer Down Payment Assistance Program using grant awards from the 2003 State HOME program and Program Income. The Housing Authority assisted 10 households with the purchase of their first home, with City loans totaling \$1,062,806. Five of the ten homes were re-sales of

existing housing within the Housing Program. Six affordable below market rate homes were resold to new first time homebuyers to continue the affordability of the homes. Eight new affordable below market rate homes completed construction and were sold to first time homebuyers during this reporting period. The City and County saw an escalation in home pricing and fewer families were able to purchase homes even with the 40-year low in mortgage interest rates.

H-2.J Identify Potential Acquisition Sites. The City shall locate sites for possible acquisition by the City Housing Authority, Redevelopment Agency and/ or an affordable housing developer for affordable projects. The City may determine it is appropriate to lease land, rather than sell it.

Responsibility: Housing Authority, Redevelopment Agency, Planning Department
Financing: City funding for staff time; acquisition funds from Redevelopment funds, City General funds, Inclusionary fund or other sources.
Objectives: Identify and acquire 3-4 sites for active efforts toward acquisition.
Time Frame: Actively work (and/or work with developers) to acquire sites by 2007.

Evaluation: The Housing Element Appendix C (updated in 2003) identifies various sites suitable for potential acquisition for affordable projects. In 2002, the Redevelopment Agency set aside \$400,000 for site acquisition. The Agency and Housing Authority subsequently purchased a 5.37 acre site on Lincoln Avenue for eventual development pending completion of the Flood Protection Project. In addition, the City lent remaining funds to Napa Valley Community Housing to assist acquisition of a site in the Terrace Shurtleff neighborhood for development of the Magnolia Apartments which were completed in 2005. The City/County Housing Agreement approved in October, 2003 provided \$900,000 from the County Housing Trust Fund in 2005 for infrastructure and site acquisitions, once the City's Revised Housing Element was certified by the State. These funds were received in 2005 and will assist in added future site acquisitions. Currently, the Housing Authority is negotiating with the Napa County Flood Control and Water Conservation District to acquire a 2.14 acre surplus site at Coombs and Imola for development of an affordable rental development.

H-2.K Inclusionary Ordinance Amendment. The City shall review and modify the City's inclusionary ordinance by updating a nexus study enabling fee increases on non-residential projects. This may be accomplished as a joint study and fee increase with Napa County. The City may also consider changes to the ordinance to encourage on-site construction of affordable units and/or the setting aside of land for affordable units if such changes are linked to sufficient incentives that are provided by the city. .

Responsibility: Housing Authority, City Attorney
Financing: Costs to conduct Nexus Study (which may be shared jointly with County) from Inclusionary Funds, Redevelopment Fund
Objectives: Complete Nexus Study and Revised Ordinance to implement Fee increases
Time Frame: 2002

Evaluation: The Nexus Study is ongoing with the County of Napa. Phase 1 related to job counts was completed in 2003; Phase 2, the Nexus Study update itself commenced in 2003, and the County revised fees in 2004. The City Housing Authority is currently reviewing the Nexus Study and preparing appropriate amendments to the fee structure for City Council consideration in the near future.

H-2.L Affordable Housing Overlay Zones. The City shall adopt a Housing Overlay Zone and apply it to certain key sites as part of the Zoning Ordinance update. The Housing Overlay Zone may, for example, specify that the City would not accept a project below a certain density, or that the city requires a high percentage (50-60%) affordable units on these sites.

Responsibility: Planning Department, City Attorney
Financing: Staff time
Objectives: Revised Ordinance
Time Frame: 2002 as part of Zoning Ordinance update.

Evaluation: Completed. As part of the Zoning Ordinance update and in consultation with the City's Housing Advisory Committee, an Affordable Housing Overlay Zone was developed in 2002 and adopted 2003. Several larger flat sites throughout the city near services and/or transit were identified to which the Overlay Zone would be applied.

The Overlay Zone is applied to 3 low density sites (APN's 7-045-05; 38-100-16; 41-771-01). For these sites, the Overlay Zone requires that development occur at the top end of the density range and that 40% of the units on each site contain accessory second units.

The Overlay Zone is also applied to all or portions of six larger multi family and mixed use sites. (APN's 46-190-08 (portion); 44-204-01; 46-211-05, 07, 08; 2-071-10; 44-314-15, 44-291-01, 02; 44-293-01, 02; and 43-062-06 (portion)). On these sites, development must occur at the mid to upper end of the density ranges and 20% of the units must be affordable to low and very low income households.

While the low density section and site rezonings occurred August 12, 2003 with the overall Zoning Ordinance, the Council asked for added economic feasibility and design information prior to adopting the Multi Family/Mixed Use sections of the Ordinance. The latter sections and rezonings were adopted by the City Council on November 18, 2003.

H-2.M Long Term Affordability Agreements and Monitoring. The City shall continue to implement long term agreements and/or deed restrictions with developers of affordable, density bonus, or "special residential" projects, that govern their affordability, and monitor the continuing affordability of such units. A summary of units currently restricted under City development agreements has been prepared. (see Appendix B)

Responsibility: City Housing Authority, City Attorney
Financing: Staff time
Objectives: Approve long term affordability agreements for new units developed through the Special Residential and density bonus programs, and other public financing, and provide monitoring of these agreements
Time Frame: Agreements: as projects occur; Monitoring is an ongoing activity.

Evaluation: Affordable housing agreements have been completed in the last 3 years for The Vintage, The Reserve, Jefferson Street Apartments, La Homa Village, the Von Uhlig/Montrachet project, Lincoln Gardens, Hawthorne Village, Valley Oak Villas, Pueblo Orchard, Magnolia Apartments, and The Grove prior to building permit issuance. Monitoring of all affordable projects is ongoing.

H-2.N Alternative Energy Sources. The City shall encourage use of alternative energy sources such as solar energy in new residential construction and implement energy efficiency in new development and remodels/rehabilitation projects.

Responsibility: Planning and Building Department
Financing: Staff time
Objectives: Ongoing
Time Frame: Ongoing

Evaluation: The Building Department continues to require energy efficiency in new construction consistent with State Title 24 energy use standards.

Goal 3: Great Neighborhoods

H-3.A Design Process. The City shall use the design review process to insure that infill multi family housing developments meet design principles. The City may also encourage project designers to meet with neighbors during the early design stages of larger projects.

Responsibility: Planning Commission, Planning Department
Financing: Staff time
Objectives: Implement design objectives during project review
Time Frame: Ongoing

Evaluation: In 2002, as part of development of the City's new "*Residential Design Guidelines*", staff and a consultant preparing the *Guidelines* worked with several multi family developers to assure that proposed new projects would meet city design principles. This was a successful collaboration that resulted in improved project design.

A pre-application review process approved as part of the *Guidelines* is ongoing, and has been formalized with descriptive handouts. Applicants of infill projects are encouraged on a case by case basis to meet with neighbors.

H-3.B Design Guidelines. The City shall develop more detailed design guidelines for multi family and additional infill development throughout the City.

Responsibility: Planning Department
Financing: General Fund for Consultant services
Objectives: Preparation of design guidelines
Time Frame: 2002

Evaluation: Completed. The City hired Bruce Race of RACESTUDIO to assist preparation of the "*Residential Design Guidelines*". That community-based process started in October, 2001 with community forums; final *Guidelines* were unanimously recommended by the Planning Commission on November 21, 2002 and adopted by the Council in January, 2003. Staff committed to refining the guidelines as needed. An update to better address large single family home design was adopted in November, 2004.

H-3.C Use of Planned Development Zoning. The City shall continue to use Planned Development regulations to promote design flexibility for residential developments, particularly for those located in unique settings.

Responsibility: Planning Department
Financing: Development review
Objectives: Use Planned Development regulations in project review to promote design flexibility
Time Frame: Ongoing

Evaluation: The Comprehensive Zoning Ordinance Update adopted August 12, 2003 continues to include a Planned Development Overlay District allowing variations from zoning standards.

Program H-3.D. Street and Subdivision Design. The City shall study street standards for new subdivisions to improve their pedestrian friendly quality and traffic calming features, and promote internal consistency between the operating standards that are used by the Fire and Public Works Departments and General Plan standards.

Responsibility: Public Works, Planning Department, Fire Department
Financing: General Fund for Consultant services
Objectives: Provide "pedestrian friendly" street standards for subdivisions
Time Frame: 2002

Evaluation: Partially completed. Community Development staff is finalizing updated draft subdivision street standards to assure internal consistency between Fire, General Plan and Public Works standard specifications. The draft will be available for public review in the fall, 2005, along with related General Plan and zoning revisions.

The "Residential Design Guidelines" also established guidelines for creating pedestrian-friendly streets. The Zoning Ordinance Update adopted in August, 2003, contains a section on "Pedestrian Friendly Street and Setback Standards" that allow setback reductions to accomplish pedestrian friendly streetscape design. (Section 17.52.360)

H-3.E Housing Mix. The City shall establish baseline housing mix information by neighborhood, and monitor and evaluate progress in achieving second units, residential care facilities, shared housing (to the extent it is regulated) and multi family uses in all residential and mixed use areas of the city. Based on results of the review, additional strategies may be formulated to increase the "fair share" mix.

Responsibility: Planning Department
Financing: Staff Time
Objectives: Monitor and increase mix of housing throughout the City of Napa
Time Frame: Every 3 years

Evaluation: A program that first establishes baseline housing mix information, then seeks to increase the mix as described above has not been developed. However, several programs are accomplishing the objective of increasing the "fair share" mix: the 2003 "cleanup" General Plan Amendment (H-2.E) provided for an increased mix of housing types throughout the City; State-mandated second unit legislation incorporated in the City's Zoning Ordinance now provides a simple process to locate second units throughout the City; and the :AH Affordable Housing Overlay zones adopted in 2003 located sites throughout the City. Two General Plan and zoning amendments were also adopted in 2004 to facilitate new residential mixed use housing Downtown (the *Downtown Mixed Use and*

Residential Infill Strategy) and in the Tannery Bend area (the Tannery Bend Design and Development Guidelines). Current Soscol Implementation Plan work also aims to increase the City's housing mix.

H-3.F New Second Units. The City shall encourage a substantial portion of units in new subdivisions to include second units. The City shall work to remove disincentives such as high fees.

Responsibility: Planning Department
Financing: Private
Objectives: 70 units or 14 units/year to 2006 and fee reductions
Time Frame: End 2001 on

Evaluation: Exceeding objectives. From 2001-mid 2005, 91 units have been approved. In 2002, the City approved 29 second units in the Valley Oaks project, now under construction. In 2003, the Sheveland Ranch project included approval for 22 second units, also under construction. The Napa Creek Condos approved in 2005 includes 21 second units. In addition, from 1999-2/03, the City approved 8 accessory second units added to existing homes. From 2/03 to 8/05 11 additional second units were approved.

H-3.G Second Unit Standards. The City shall modify zoning requirements to eliminate the Use Permit Requirement for second units, and will consider revisions to other City standards and fees to eliminate obstacles to second unit creation. (e.g. eliminate whole house sprinkler requirements for attached second units, and reduce fees considering their small sizes). See H-5.Ak for added detail.

Responsibility: Planning Department
Financing: Staff time
Objectives: Revised Ordinance
Time Frame: As part of Zoning Ordinance update, 2002

Evaluation: Completed. The Comprehensive Zoning Ordinance Update adopted by the Council August 12, 2003 incorporates process streamlining and other revisions to Accessory second unit section of the Ordinance (17.52.020) responding City Housing Element recommendations and later State law requirements. The new section provides performance standards and eliminates discretionary permits for accessory second units. These changes will make it easier for new second units to be constructed. The new Ordinance provides greater size flexibility for accessory second units. Fee reductions have not yet occurred and sprinkler requirements are unchanged.

H-3.H Amnesty Program. The City shall consider an amnesty program for illegal second units where the City provides a period of time for owners of illegal units to register their units and make them legal, in exchange for property owners' meeting specified health and safety standards.

Responsibility: Building, Planning, Housing, Code Enforcement
Financing: General Fund
Objectives: Development and implementation of Amnesty Program
Time Frame: By 2006

Evaluation: Later time frame

H-3.I Duplex and Triplex Standards. The City shall adopt Zoning Ordinance revisions, including performance standards to encourage duplexes and triplexes in single family designations that allow them. Performance standards shall address design and neighborhood "fair share".

Responsibility: Planning Department
Financing: Staff time
Objectives: Revised Ordinance
Time Frame: As part of Zoning Ordinance update, 2002

Evaluation: Completed. The Comprehensive Zoning Ordinance Update adopted by the Council August 12, 2003 allows duplexes and triplexes in all Single Family Infill and Traditional Residential Infill areas throughout the City as prescribed by the General Plan. The newly adopted *Residential Design Guidelines* provide guidance for design of new duplexes or triplexes.

H-3.J Duplex and Triplexes in Other Areas. The City shall consider a General Plan Amendment to allow occasional duplexes and/or triplexes in the Single Family Residential land use category.

Responsibility: Planning Department
Financing: Staff time
Objectives: Plan Amendment
Time Frame: 2005

Evaluation: As of mid 2005, this General Plan Amendment has not been developed.

H-3.K Rehabilitation Programs. The City shall continue to rehabilitate substandard residential units for very low and low income renters and owners using available subsidies, in addition to code enforcement. Inspection and reduction of lead-based paint hazards are part of the rehabilitation efforts

Responsibility: Housing Authority
Financing: Community Development Block Grant Rehabilitation Program for renters, HOME Rehabilitation Program and code enforcement program enforcing existing codes and health and safety regulations.
Objectives: Rehabilitate 75 substandard rental units for very-low and low income families. Rehabilitate 22 substandard rental units for very low and low income seniors/disabled. Rehabilitate 112 units of substandard owner occupied housing for very low and low income families. Rehabilitate 15 homebuyer units acquired by first time homebuyers.
Time Frame: 1999-mid 2006

Evaluation: From 1999 to mid 2005, homeowner rehabilitation has totaled 61 units and rental rehabilitation has totaled 43 units. Homeowner unit breakdown included: 98-99: 14 units. 99-00: 8 units. 00-01: 10 units. 01-02: 9 units. 02-03: 6 units. 03-04: 7 units. 04-05: 7 units.

The rental rehabilitation unit breakdown included: 98-99: 14 units. 99-00: 0 units. 00-01: 9 units. 01-02: 12 units. 02-03: 6 units. 03-04: 1 unit. 04-05: 1 unit.

H-3.L Christmas in April Repairs. The City shall continue to organize and promote the "Christmas in April" program to assist primarily low income senior and disabled owner households with needed home repairs

Responsibility: Housing Authority
Financing: Staff time, private sources
Objectives: Provide needed repairs to 45 homes (6 units/year)
Time Frame: 1999-mid 2007

Evaluation: Exceeding Objectives. From 1999 through 2005, City units repaired through the "Christmas in April" program have totaled 49 units or more than 7 units per year. 1999: 5 units. 2000: 10 units. 2001: 6 units. 2002: 6 units. 2003: 9 units. 2004: 7 units. 2005: 6 units.

H-3.M Code Enforcement. The City shall continue and strengthen code enforcement of the Housing, Electrical, Fire Prevention Codes and Health and Safety Regulations by appropriate City departments. Code enforcement efforts should be proactive, as well as reactive in targeting specific problem sites or areas.

Responsibility: Building Department, Fire Department (Code Enforcement)
Financing: City funds
Objective: Improve community health and safety
Time Frame: Ongoing

Evaluation: Due to severe budget constraints 2005-2007, the City has reduce code enforcement from a full time Code Enforcement Officer and Code Enforcement Assistant to one full time Officer with limited part time assistance. Given the 600-1500 calls received annually, staff responds based on complaints, with life/safety enforcement receiving highest priority.
However, in the fall of 2005 the Community Development Department will be presenting to the City Council a revised Code Enforcement Program which addresses budgetary constraints and increases code enforcement activities.

H-3-N "Clean Up". As the need arises and funding permits, the City should initiate use of inter-departmental "strike teams" to clean up areas of the City of Napa.

Responsibility: Interdepartmental
Financing: Substantial staff time
Objectives: "Cleanup" of neighborhoods experiencing deterioration
Time Frame: As needed and as funding permits

Evaluation: No "neighborhood clean up" activities occurred during 2004-5.

H-3-O Historic Area Process. The City shall encourage maintenance and preservation of historic homes and structures through Historic Preservation policies, ordinances and design guidelines.

Responsibility: Planning Department, Cultural Heritage Commission
Financing: City funds
Objective: Provide information to public on appropriate historic remodel techniques; enforce through Cultural Heritage Commission Certificates of Appropriateness
Time Frame: Ongoing

Evaluation: The City adopted design guidelines in 1998 applicable to rehabilitation/remodels of buildings on the City's historic preservation

inventory; copies are available at the Planning Department. Staff and the Cultural Heritage Commission enforce the City's Historic Preservation Ordinance, policies and design guidelines as projects occur.

H-3.P Energy Conservation Programs. The City shall promote and encourage use of energy conservation programs, particularly those which rehabilitate low income homes for energy efficiency and provide subsidies for energy costs. In 2001, the California Human Development Corporation in Rohnert Park runs a "weatherization" program for low income households; additional programs may be forthcoming with recent increases in energy costs.

Responsibility: Housing Authority in coordination with CHDC
Financing: Staff Time, Federal and State grants
Objectives: Weatherize 100 units
Time Frame: Ongoing

Evaluation: The Housing Authority does not currently have a separate "weatherization" program. However, as part of every owner and rental rehab project (104 units rehabilitated to date), energy efficiency is evaluated as being adequate or substandard. Eligible energy improvement activities include the installation of double-pane windows, insulated doors, attic/wall/floor insulation and energy efficient heating and air conditioning systems. 16 units were rehabilitated in the last 18 months.

H-3.Q Transportation Element Amendments. The City shall propose a stronger General Plan policy or policies and implementation program(s) to strengthen concurrency of development with infrastructure, especially streets and public transportation.

Responsibility: Public Works Department
Financing: Staff time
Objectives: General Plan Amendment
Time Frame: 2001

Evaluation: General Plan changes not proposed; however, City staff is paying close attention to concurrency during private development review.

H-3.R Capital Improvement Programs. The City shall continue to use the City's Capital Improvement Program funds and CDBG community development funds to a limited extent to assist in neighborhood improvement efforts. In recent years, the City has focused such CDBG community development expenditures on sidewalk improvements and has provided funds for an ADA playground at Fuller Park.

Responsibility: CIP: City Manager, Public Works and Planning Departments; CDBG: Parks and Recreation Department (CDBG Program Administrator)
Financing: Capital Improvement Funds from General Fund; CDBG annual allocations other local, state and federal sources
Objectives: Improvement of neighborhood quality through specific improvements as outlined in CIP and CDBG Consolidated Plan.
Time Frame: CIP and CDBG annual reviews

Evaluation: In 2002-03, the City's Capital Improvement Program (CIP) included funds to resurface 18 streets and to reconstruct major portions of El Centro Avenue; completion of portions of the River Trail from Lincoln to Trancas and from Kennedy Park along Streblow to Soscol Avenue; a new signal at

Lincoln and Solano; a public information Downtown Sign program; and nearly a million dollars for sidewalk repairs citywide.

2003-04 capital improvements in the CDBG program included \$225,000 for sidewalk repair and handicapped access ramp installation in the low income Los Robles neighborhood to assist in neighborhood improvement.

2003-04 CIP funded included \$83,000 for Old Sonoma Road area and Redwood Road at Lynn Drive storm drain improvements; \$124,000 to construct a bicycle lane on the railroad line from Lincoln Avenue to Soscol; \$35,000 for traffic calming and overlay on East Avenue; \$80,000 for a traffic signal at Silverado Trail and Hagen Road; \$40,000 to design and implement a bikeway between Imola Avenue to Downtown; and \$60,000 to establish plan lines for several road connections called for in the General Plan. Other CIP projects included \$525,000 for annual street resurfacing; \$844,000 in sidewalk and handicap ramp improvements near Phillips Elementary School, Downtown, Los Robles and other locations (This last total includes the CDBG funding for Los Robles).

In 2004-05, capital improvements in the CDBG program included \$259,891 for sidewalk, handicap access ramps and storm drain improvements in the low income Los Robles neighborhood to assist in neighborhood improvement.

2004-05 CIP funded projects to assist in neighborhood improvements included \$4.4 million (in grants) for a commuter bike path along the railroad line from Soscol to Trancas; \$120,000 in initial funding for a First and Second Street undergrounding project (most funding to come in subsequent years); \$42,560 for sidewalks near Phillips School; \$374,300 for phased sidewalk repairs and storm drainage in the Los Robles (some of which is CDBG funding) neighborhood; \$2 million for First Street Bridge improvements; \$25,000 for Redwood Road overlay work; \$200,000 for a traffic signal at Jefferson at Old Sonoma Road. [lp, aw]

H-3.S Parks and Recreation Element Update. When the Parks and Recreation Element is next updated, revise to specifically target or establish a high priority for City Parks near higher density areas.

Responsibility: Parks and Recreation Department

Financing: General Fund

Objectives: Assure adequate parks in higher density areas

Time Frame: As appropriate when the Parks and Recreation Element is updated

Evaluation: Later time frame

H-3.T Retain Federally Subsidized Affordable Units. The City shall assist in retention of Federally subsidized affordable housing when feasible and necessary. This program addresses lower income projects which have received federal/state subsidies for construction but are at risk of converting to market rate projects over the next few years because their financing is coming due. Carefully review "Plans of Action" prepared for the Federal Department of Housing and Urban Development by owners of existing subsidized projects. Should the owner opt out of the subsidy program, inform tenants of any assistance that may be available to them, and consider means of acquiring or facilitating the acquisition of units threatened with conversion to market rate

Responsibility: *Housing Authority*
Financing: *HOME Acquisition Program, Redevelopment Acquisition Program, HOME and CDBG Rehabilitation Program, Federal HOME Loan Affordable Housing Program, Low Income Housing Preservation Program, and other sources of funds*
Objectives: *Conserve 75 units in Charter Oaks and 14 units in Creekside Park Apartments.*
Time Frame: *1999-mid 2011*
Evaluation: **Completed.** In 2000, Charter Oaks was conserved for very low and low income households. The new owner purchased the property using interim financing. The City made a commitment to loan a small amount of funds, to be repaid in 2005, and more recently issued Revenue Bonds on the project's behalf to pay for the interim financing and for rehab costs. The Revenue Bonds require continued affordability of the units.

In 2003, the Housing Authority was awarded 14 new Vouchers worth over \$110,000 annually to provide affordable rental assistance to the 14 families residing at Creekside Park Apartments that were at risk of losing their subsidized housing. All families continue to reside at Creekside Park but can now also use the Voucher to move to other affordable housing opportunities in the community if they so desire.

H-3.U Rental Acquisition and Maintenance. The City shall also acquire existing rental housing to rehabilitate it and maintain it as affordable housing.

Responsibility: *Housing Authority*
Financing: *HOME Acquisition Program, Redevelopment Acquisition Program, HOME and CDBG Rehabilitation Program, Federal HOME Loan Affordable Housing Program, Low Income Housing Preservation Program, and other sources of funds*
Objectives: *Acquire 75 units and maintain them as affordable*
Time Frame: *1999-mid 2006*
Evaluation: Units acquired for rehabilitation and affordable rentals since 1999 include Oran Court (13 low income units), Villa de Adobe on Clay Street (12 low income units), 1219 Jefferson Street (6 low income/disabled units) purchased and rehabbed by the Housing Authority using CDBG and HOME funds then purchased by Catholic Charities. Catholic Charities also purchased an 8 unit rental for low income/disabled at 1070-76 Imola Avenue. Catholic Charities has also acquired a new shared living home at 1046 Bella Drive. Two privately owned rental units were remodeled in 2004-5 and rent restrictions applied. [jw]

H-3.V Condominium Conversion Ordinance. The City shall revise the condominium conversion ordinance to use a more realistic apartment vacancy rate based on an annual survey of local apartment vacancies and continue to deny condominium conversion of multi family rental units when the city wide vacancy factor is found to be less than 5%, defined as a "rental housing shortage". If the vacancy factor is 5% or greater, the city may allow conversion of a limited number of rental units built that year to condominium units as defined in the ordinance

Responsibility: *Planning Department, Planning Commission*
Financing: *Staff time*
Objectives: *Revise condominium conversion ordinance*

Time Frame: Vacancy rate revisions part of the Zoning Ordinance update 2002; Other revisions 2005

Evaluation: Completed. The Comprehensive Zoning Ordinance Update adopted by the Council August 12, 2003 includes the revised vacancy rate as described above. (Section 17.52.080) Other revisions to strengthen the ordinance were adopted June, 2005, including a cap on the number of units that can be converted on an annual basis, increased relocation assistance for displaced renters, increase of the vacancy rate before apartments can be converted to 5%, and application of the 10% affordable inclusionary requirement to an approved condominium conversion project.

H-3.W Permits for Rental Conversions. To the extent consistent with State law the City shall, in its zoning ordinance update, require use permit for conversions of rental housing to other uses.

Responsibility: Planning Department, Planning Commission

Financing: Staff time

Objectives: Revise zoning ordinance

Time Frame: Part of the Zoning Ordinance update 2002

Evaluation: Completed. The Comprehensive Zoning Ordinance Update adopted August, 2003 incorporates a Use Permit for conversion of rental housing to nonresidential uses. (Section 17.52.100)

H-3.X Mitigation Fees for Loss of Units. The City will add a mitigation fee for loss or conversion of rental units to uses in addition to condominiums. Reasonable mitigation should be consistent with Federal Relocation Laws.

Responsibility: Planning Department, City Attorney

Financing: Staff time

Objectives: Revise Inclusionary Ordinance (or develop other ordinance) to require fee for loss of units

Time Frame: 2003

Evaluation: Completed. The Comprehensive Zoning Ordinance Update adopted August, 2003, requires those converting or demolishing rental units to non residential uses to pay Housing Impact Fees for the space converted/lost. In addition, when vacancy rates are less than 3%, conversion requires additional mitigation (fees or equivalent) as negotiated with the Housing Director.

H-3.Y Rental Mediation. The City shall assist efforts to protect renters from unreasonable rental increases through a process of conciliation, mediation and fact-finding consistent with the current City Charter.

Responsibility: City Manager's Office

Financing: Staff time; mediation services

Objectives: Put in place a program for rent mediation.

Time Frame: Adopt ordinance by 2001.

Evaluation: The City Manager's Office developed a draft rental mediation program in 2000 for review by the City Council. The Council decided not to adopt a

new ordinance at that time, preferring to rely on voluntary mediation programs already in place.

Goal 4: Housing for Our Special Needs

H-4.A Emergency Shelters. The City shall continue to assist in funding existing NCCEO, NEWS and winter shelter operations, and assist acquisition of existing facilities that can be converted to expand Emergency Shelters for Homeless Families and single persons with special needs. There is a critical need for a permanent emergency shelter for single men and women. The current facility is leased space not adequate for a shelter and subject to closure. Likewise, the existing battered women's shelter cannot accommodate all domestic violence victims in need of shelter.

Responsibility: *Housing Authority, City Manager, Parks and Recreation Department (CDBG Grants and Project Manager)*
Financing: *CDBG, Continuum of Care, Domestic Violence Acquisition Program, and other state and federal funds.*
Objectives: *Expand existing shelters including acquisition of site and construction of permanent shelter. (CDBG monies): 5 year goal is permanent emergency shelters for 35 single men, 20 women and 20 families.*
Time Frame: *2003*

Evaluation: Existing shelters continue to operate with assistance. In January, 2005 the County of Napa Board of Supervisors approved the environmental documents for a permanent 56 bed homeless shelter for men and women located on the Gasser site near Fire station #4. The Housing Authority contributed \$500,000 towards this shelter project. The shelter is currently under construction and is expected to be completed no later than mid-2006. This shelter will replace the temporary 48 bed shelter across from the County Administration Building. Additionally, the City through its CDBG funded CIP Program for non-profit facilities continues to provide funding to upgrade housing facilities for Special Need populations in the City.

H-4.B Permanent Supportive Housing. As recommended in the Continuum of Care Strategy, the City shall support development of a Permanent Supportive Housing for Homeless for Persons with Disabilities Project.

Responsibility: *Housing Authority in coordination with non-profits*
Funding: *Continuum of Care federal funds with local match*
Objectives: *Provide 8 bed permanent facility*
Timing: *2003*

Evaluation: Met Objective. Catholic Charities received funds to purchase a facility for permanent housing for 8 disabled low income persons in 2002 located at 1046 Bella Drive.

H-4.C Support Services. The City shall continue to promote, support and implement additional support facilities and services to homeless persons and non-homeless persons with special needs. A major intent is to reduce barriers that hinder their ability to obtain and retain housing.

Responsibility: *Housing Authority in coordination with Napa Valley Non-Profit Coalition of Agencies*

Financing: CDBG, Section 811 Supportive housing for Persons with Disabilities, Emergency Shelter Grants to improve services of existing shelters and expand capacity for services; Housing Opportunities for persons With AIDS for supportive services

Objective: Provide additional support facilities and services

Time Frame: Day Services Center for Homeless by 2001; Other services ongoing contingent on funding

Evaluation: The Hope Resource Center, a day services center for homeless located in the Methodist Church downtown, was approved August, 2000 and completed and operational by July, 2001.

H-4.D Rental Assistance for Special Needs. The City shall provide Increased Rental Assistance for Homeless Persons and Persons with Special Needs. The Housing Authority currently operates a Transitional Housing Program that coordinates the provision of 25 Vouchers with supportive services provided by the Napa Valley Shelter Project and Napa Emergency Women's Shelter for battered women and their families and homeless families.

Responsibility: Housing Authority, City Manager, Parks and Recreation Department (CDBG Grants and Project Manager)

Financing: CDBG, Section 8 and other Federal funds

Objectives: 50 additional Rental Assistance Vouchers (5 year goal)

Time Frame: Ongoing

Evaluation: In January, 2002, the City received "Shelter Plus Care" Vouchers in 01-02 to assist 8-10 additional renters. This grant expired in 2005 and was not renewed. In addition the City received 30 new mainstream rental assistance vouchers in 2002.

By 2003, the Rental Assistance program for Homeless and Special Needs was integrated into the regular Housing Choice Voucher Program. In January, 2003, the Housing Authority received 30 additional Mainstream Vouchers to assist persons with disabilities who are working with supportive services agencies. While the Housing Authority applied for an additional 30 Mainstream Vouchers in July, that application was denied. Under the Continuum of Care, in July 2003, the Housing Authority applied for two new Shelter Plus Care Grants. The Housing Authority was awarded one grant and denied the other. The grant in the amount of \$239,000 currently assists 5-8 individuals with disabilities. The Family Unification Program in 2005 currently assists 88 households who need help with housing in order to maintain their children in their home. Overall, the Housing Authority has exceeded its 5 year goal by acquiring 78 new Vouchers targeted to families and individuals with Special needs.

H-4.E Capital Improvements for Non-Profit Facilities. The City shall continue to support rehabilitation of non-profit facilities per the CDBG Consolidated Plan.

Responsibility: Housing Authority; Parks and Recreation (CDBG Program Administrator)

Funding: CDBG annual allocations

Objectives: Provide funds to assist in maintenance of non-profit facilities serving low income and special needs groups.

Timing: Annual CDBG allocations.

Evaluation: In 2002, the City funded \$180,617 in CDBG funds for facility improvements to 10 non-profit facilities that provide services to Napa's most needy residents. In 2003, funds in the amount of \$183,375 were provided to cover improvements to 10 additional non-profit facilities. In 2004, funds in the amount of \$104,900 were provided to repair 7 non-profit facilities. The City will invest \$227,383 in CDBG funds for the rehabilitation of 12 non profit facilities in 2005. [jw, aw]

H-4.F Encourage New SRO's. The SRO Ordinance shall be amended as part of the zoning ordinance update to expand the types of SRO development that may be permitted (e.g., not strictly very low and low income). In addition, consider zoning provisions to encourage SRO's and "studio apartments" through the use of density bonus provisions, or other provisions that may equate SRO units or studio apartments on a 2 to 1 basis with 2 bedroom apartments, and review of parking, development and management standards.

Responsibility: Planning Department, City Attorney
Financing: Staff time
Objectives: Revise SRO Ordinance; 20 units
Time Frame: Ordinance revision as part of Zoning Ordinance Update 2002; units by 2006

Evaluation: Completed. The Comprehensive Zoning Ordinance Update adopted August, 2003, includes revisions to the SRO ordinance expanding the types of SRO's conditionally permitted. It also includes provisions to equate small SRO units on a 2:1 basis with larger units.

H-4.G Rehabilitate Existing Facilities for SRO's. The City shall support efforts to rehabilitate existing facilities to provide SRO housing for special needs groups. There is a lack of SRO units in the City for individuals with service needs related to mental illness, alcohol and drug abuse, AIDS and other related diseases and disabilities.

Responsibility: Housing Authority working with County social service and Mental Health Agency
Financing: CDBG and HOME Rehabilitation Programs and other federal funds.
Objective: Rehabilitate 37 units of housing to SRO units
Time Frame: 1999-mid 2006

Evaluation: None to date.

H-4.H Include Transitional Housing. The City Housing Authority shall, as a priority and as feasible, set aside 10% of new very low and low income rental units developed under program H-2.F for transitional housing for special needs groups.

Responsibility: See H-2.F
Financing: See H-2.F
Objectives: 24 units (of the 236 units) provided for transitional housing for special needs groups
Financing: See H-2.F

Evaluation: To date, 4 units are reserved for transitional housing in Whistlestop Apartments, completed in 2000. The Draft Gasser Master Plan under review by the City also proposes to incorporate space for a 24 unit transitional housing development.

H-4.I Group Residential Amendment. The zoning ordinance update shall be amended to permit group residential in appropriate zoning designations per the City's General Plan and review parking standards and other requirements for these uses.

Responsibility: Planning Department, Planning Commission
Financing: Staff time
Objectives: Revise ordinance
Time Frame: Part of the Zoning Ordinance update 2002

Evaluation: Completed. The Comprehensive Zoning Ordinance Update adopted August, 2003, has incorporated the "group residential" term and allows such housing per the City's General Plan.

H-4.J Special Residential. The City shall continue to allow, by use permit densities up to 60 units/acre on sites designated Multi-Family Residential using the "Special Residential" density bonus policy for low and moderate income elderly/disabled, but revise and tighten this policy to encourage greater affordability.

Responsibility: Housing Authority, City Attorney and Planning Department
Financing: Staff time, density bonus, Section 202 Program, Low Income Housing Tax Credit
Objectives: Provide 310 units of housing for very low or low-income elderly and/or disabled (The Vintage, The Reserve and Jefferson Street) through use of policy; Amend Special Residential policy
Time Frame: 1999-mid 2006 for construction. Amendment of policy by 2002 with Zoning Ordinance update

Evaluation: Complete. The three senior low and very low income projects totaling 310 units have noted above are completed or are currently under construction. They include the Jefferson Street Apartments (78 units); The Reserve (115 units) and The Vintage (117 units).

In addition, the Comprehensive Zoning Ordinance Update adopted August, 2003 has revised the "special residential" provisions into the new density bonus section for consistency with State law. (Section 17.52.130)

H-4.K Coordination with County on Farmworker Housing. The City shall continue to evaluate and propose joint City and County measures to address the housing needs of farmworkers through the Napa County Farmworker Oversight Committee. Seasonal farmworker housing is typically located in vineyard areas while the City's has been a source of permanent rental housing. Assist farm workers in finding available housing by distributing bilingual information and working with existing non-profit agencies, such as Napa Valley Community Housing and California Human Development Corporation that provide services and housing for farm workers.

Responsibility: Housing Authority
Financing: Staff time
Objectives: Promote access to new permanent housing in the City and work with Oversight Committee and non-profit agencies
Time Frame: Ongoing

Evaluation: The City continues to participate in the Countywide Farmworker Oversight Committee. A new 60 person facility in the St. Helena Area has been completed. In addition, the Housing Authority required provision of necessary housing for all farmworker employees required to develop and operate the vineyard acres and the winery operations at the 900+ acre

Stanly Ranch (in City limits) as part of a vineyard expansion use permit (approved 12/00—00-166 UP). 14 units in the just completed Magnolia Apartments are reserved for permanent farmworker families living and working in Napa County. The Napa Valley Housing Authority is currently in the process of a complete \$3 million dollar rehabilitation of two of its oldest migrant sites: Calistoga and Mondavi farmworkers centers serving 120 farmworkers.

Goal 5: A Strong Sense of Community and Responsibility

H-5.A Zoning Revisions. Zoning ordinance revisions to be accomplished (many of which have been noted in earlier sections) include:

- a. Immediately rezone all sites designated "Multi Family Residential" in the General Plan to a consistent "Multi Family Residential" zoning district. (See proposed revisions, APPENDIX A).
- b. Immediately eliminate Use Permit requirements for multi family projects in Multi Family Residential zones but provide that Design Review Permits for multi-family projects over 10 units will go to the Council. (See proposed revisions, APPENDIX A).
- c. Continue to allow the renting of rooms to 1 or 2 persons as an accessory use but eliminate parking requirements for that accessory use.
- d. Revise density bonus provisions in Chapter 17.84 to apply to certain types of workforce housing, duplexes and triplexes, potentially studio units, and to specify the density bonus amount for certain multi family projects.
- e. Provide for an Affordable Housing Overlay Zone.
- f. Review and revise Home Occupation ordinance.
- g. Review and potentially revise height bonus provisions for the Downtown.
- h. Provide for "group residential" or similar category as a conditional use in compatible zoning districts.
- i. Revise SRO ordinance to provide greater application and review/revise standards.
- j. Revise Special Residential policy to tighten affordability requirements.
- k. Eliminate Use Permit requirements for second units that meet adopted standards. Second units would require an administrative review with neighbor and Planning Commission notice. If there is no objection by neighbors or the Planning Commission, the project would be approved. Otherwise, the item could be appealed during a 10 day appeal period (at no cost) and would be reviewed by the Planning Commission.
- l. Add Use Permit for conversion of rental housing to other uses as permitted by law.
- m. Parking Standards: Review and analyze all residential parking standards and consider possible reductions to reflect current needs and mitigate identified constraints to housing. Examples of "best practices" to be considered include, but are not limited to allowing the potential for landscape parking reserves that can be designated for parking if needed in the future, but in the interim, can be used for landscaping, a tot lot or garden; reduced parking

requirements in multi family locations near transit and services; shared parking standards for residential mixed use; and increased use of compact spaces.

n. Review zoning ordinance for provisions that would enhance fair housing.

Responsibility: Planning Department, City Attorney
Financing: Staff time
Objectives: Revise Zoning Ordinance
Time Frame: 2002 as part of Zoning Ordinance Update

Evaluation: Completed. Items a. and b. were completed with the adoption of the Housing Element. The remaining items, which summarize the zoning changes needed from various other Housing programs, have been incorporated into the Comprehensive Zoning Ordinance Update adopted August, 2003:

- For item c, room rentals, see Section 17.08.020C. This section was amended to allow room rentals in single family homes without added parking.
- For item d, density bonuses, see Section 17.52.130 and earlier discussion under H-1.D and 1.E. Section 17.52.130E addresses density bonuses for affordable duplexes and triplexes.
- For item e, Affordable Housing Overlay Zone, see Chapter 17.36 and earlier discussion under H-2.L.
- For item f, Home Occupation Ordinance, see Chapter 17.52.240 and earlier discussion under H-1.H.
- For item g, height bonuses, see Section 17.52.210 and earlier discussion under H-2.A.
- For item h, "group residential", see 17.08.020A and earlier discussion under H-4.L.
- For item i, SRO's, see 17.52.460 and earlier discussion under H-4.F.
- For item j, Special Residential policy, see 17.52.130 and earlier discussion under H-4.J.
- For item k, second units, see 17.52.020C and earlier discussion under H-3.G.
- For item l, conversion of residential, see 17.52.100 and earlier discussion under H-3.W and 3.X.
- For item m, parking. See Chapter 17.54 and 17.48.060.C. Special parking reserves are now permitted under 17.54.090. Parking standards for multi family along crucial corridors (:TI Traffic Impact Overlay Zone) have been reduced; the prior ordinance mandated a 20% increase in parking on major traffic corridors. Shared Parking for residential mixed use is permitted under 17.54.080B. Increased use of compact parking spaces has been permitted in 17.54.100; previously 30% compact spaces were permitted only for residential *guest* spaces; now 30% compact spaces may be provided for the residential uses as well.
- For item n, the City Attorney's office reviewed the ordinance to assure that the ordinance is consistent with fair housing law.

H-5.B Priority Processing. The City shall adopt Policy, applicable to all departments, giving priority both before and after discretionary approvals to 100% affordable projects, or projects meeting inclusionary requirements onsite over other applications received earlier and potentially, over City projects not involving immediate health or safety matters.

Responsibility: City Manager's Office, Interdepartmental
Financing: Staff time
Objectives: Develop policy for project processing during and after approvals
Time Frame: 2002

Evaluation: Formal inter-departmental policy is not yet adopted. However, the Maximus "Assessment of the Development Review Process", completed and endorsed by Council in December, 2002, called for improving and expediting review of ALL development applications from their inception and approval through to construction. Increases in building permit fees have funded a new building staff person to improve review times for building permits. Planning, Building, Engineering and Code Enforcement Services have been reorganized into a new Community Development Department. A new project and building permit tracking system is also expected to make the process more transparent.

H-5.D Fee Review. The City shall conduct a review of fees for affordable housing or other types of housing that meet certain goals, and revise fee structures to defer, shift and/or reduce fees where possible for affordable housing projects, and urge adjacent public services providers to do the same. The fee review shall specifically consider reductions based on unit size and increased flexibility in park fees, and deferrals until project occupancy.

Responsibility: City Manager's Office, City Attorney, Interdepartmental,
Financing: Staff time
Objectives: Fees Report
Time Frame: 2002

Evaluation: Completed January, 2003. Fee Report by City Manager's Office.

H-5.E Equal Housing Programs. The City will continue to assist funding of equal housing programs operated by NCRIMS or other agencies. NCRIMS develops analyses of impediments to fair housing, disperses information on fair housing laws in English and Spanish one on one with clients; during at least 12 annual outreach presentations to school, non profit agencies, tenant organizations, real estate organizations, property owner organizations, etc.; upon request in the NCRIMS office and at other non-profit agency offices. NCRIMS refers tenant complaints on discrimination, conducts rent mediation, and acts as a counseling organization that assists tenants, landlords, property owners and real estate professionals in reaching voluntary conciliation. If mediation fails and enforcement is necessary, NCRIMS helps tenants fill out official complaint forms which are then investigated and enforced by the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint.

Responsibility: Napa County Rental Information and Mediation Services (NCRIMS) or potentially other agencies
Financing: CDBG
Objectives: Ongoing
Time Frame: Continuous

Evaluation: During 2002, the City undertook a programmatic evaluation of NCRIMS, that resulted in a determination to not renew the contract for the next fiscal year. The City worked with the National Fair Housing Alliance to establish a new non-profit agency, Fair Housing Napa Valley, that is providing a higher level of fair housing and mediation services consistent with HUD regulations. Fair Housing Napa Valley is currently working with the City to update a report called Impediments to Fair Housing to identify

barriers and appropriate policies and actions to remove them in the City of Napa.

H-5.F Database and Monitoring Improvements. The City Planning Department shall upgrade land use and other planning-related databases and integrate this information into the City's GIS system in order to be able to:

- a. Provide better identification of the changing needs of the population needing housing;
- b. Monitor housing development and needs achievements on an ongoing, rather than a periodic basis;
- c. Monitor the supply of vacant and underutilized land (residential and non-residential) on an ongoing, rather than a periodic basis;

Responsibility: Planning Department
Financing: General Fund
Objectives: Update database and incorporate into GIS system
Time Frame: 2001-2002.

Evaluation: The City Planning budget for 2003/04 provided funds for database update and standardization, a first step to improving the city's GIS database and development of a permit tracking system which would allow ongoing monitoring of the supply of vacant and underutilized lands. The database update phase is nearly complete and incorporated into the permit tracking system.

H-5.G Housing Element Review. Prior to budget decisions, the City shall annually review and evaluate the effectiveness of the policies and programs identified in the Housing Element.

Responsibility: Planning Department
Financing: Staff time
Objectives: Monitor Housing Element effectiveness
Time Frame: Prior to budget decisions

Evaluation: This is the third annual evaluation of the Housing Element programs implementing the policies of the Housing Element. The Evaluation was delayed to complete and incorporate the latest Housing Element Revision. However, given an extremely tight budget year, budget decisions for 05-07 were to minimize added new projects and to retain staff to continue existing programs.

H-5.H Legislation. The City shall support, through letters, contacts with legislators or other means, allowing existing rehabilitated housing to qualify as a "reportable unit", and to devise a system for realistically counting actual living units in affordable group living projects. The City shall also support future legislation to reduce townhome construction liability problems.

Responsibility: Housing Authority
Financing: Staff time
Objectives: Ongoing
Time Frame: Met through existing agreements; ongoing

Evaluation: While legislation passed (AB 1866) in 2002 to among other things slightly amend sections of state housing law allowing existing rehabilitated housing to qualify as a "reportable unit", restrictions are still extremely

tight and would not normally apply. Other legislation remains needed. City and County representatives have brought the concerns noted above to state legislators.

H-5.I Affordable Housing Transfer Agreement. Continue to participate in Affordable Housing Transfer Agreements with the County of Napa.

Responsibility: Housing Authority
Financing: Staff time
Objectives: Permit up to 15% (or 102 units) of Napa County very low and low income "fair share" needs to be met in the Cities of Napa and American Canyon.
Time Frame: Met through existing agreements; ongoing
Evaluation: As noted above and in the Housing Element Background, 15% of Napa County's very low and low income "fair share" needs were met in the City of Napa for the 1999-2006 time frame in accordance with State Government Code Section 65584.6.

More significantly, a new housing sharing agreement between the City and County was approved in October, 2003. This agreement resulted in the City amending its Housing Element in February 2005 to maintain adequate sites for 664 County units, including 534 very low, low and moderate income housing units. The agreement provides how the County will be credited (and provide revenue sharing) for these added units.

H-5.J City/County Advisory Housing Commission. The City shall take a leadership role in exploring a city/county advisory housing commission to improve coordination between existing city and county organizations on housing issues; such as Affordable Housing Transfer Agreements, housing needs of farmworkers and other city/county issues.

Responsibility: City Manager's Office, Housing Authority
Financing: General Fund
Objectives: Improve coordination on city/county housing issues
Time Frame: Establish by 2002

Evaluation: A cooperative countywide housing and land use planning effort through the Napa County League of Governments (NCLOG) has taken the place of a City/County Advisory Housing Commission.

NCLOG, which is comprised of staff and legislative representatives from all Napa County cities and the County, has been meeting regularly for the past two years to forge a Countywide Development Strategy. *Principles* for the future were agreed to in 2002. In October 2003, after intense negotiations between the County of Napa and City of Napa; and the County and City of American Canyon, historic agreements were developed and unanimously adopted by the two Councils and the Board of Supervisors to shift regional housing needs assigned to the County to the two cities in exchange for revenue sharing and other measures. The intent of these agreements is to preserve the County's agricultural lands and to continue to promote city-centered development. NCLOG is also working on other land use issues of countywide concern.

H-5.K Housing Committee and Community Coalitions. The City shall appoint an ongoing Housing Committee with the following charges: to assist implementation of Housing Element

Programs; monitor implementation progress and make sure that implementation measures continue to relate to the changing needs of the community; and periodically report to the City Council on the above. To transition to the new group, a majority of initial Committee members would be appointed from the Housing Element Steering Committee. The City shall also encourage community group/coalition efforts to provide ongoing support and advocacy for affordable projects at meetings, and promote affordable housing implementing actions.

Responsibility: Housing Authority and Planning Department
Financing: Added staff resources (H-5.M Housing Strategist Position)
Objectives: Ongoing
Time Frame: Ongoing

Evaluation: An ongoing City Housing Advisory Committee was appointed by the City Council in December, 2001. The Housing Advisory Committee met quarterly to discuss housing funding, the affordable housing overlay zone and other matters. However, members were concerned about restrictions placed upon standing City committees and in January, 2003, the Housing Committee members unanimously agreed to dissolve in order to restructure themselves as a private community advocacy group. Group members continue to monitor Housing Element implementation and have been community advocates for several important housing projects and for the :AH Affordable Housing Overlay District.

H-5.L Outreach Efforts. The City shall increase outreach and educational efforts by:

- a. Having staff available to organize or provide neighborhood and community outreach about affordable housing, design and density, tours of affordable housing developments, tenant and landlord issues, special needs housing, fair housing and related issues.
- b. Having staff and community members available at the County Fair or other major events to provide materials related to affordable housing developments in Napa, current housing issues and similar.
- c. Developing and providing a brochure(s) or flyers relating to current funding programs; housing element and zoning programs and incentives available for affordable housing; affordable housing projects, design and density, and housing site information, and disseminating such information with water bills, or the Community Resources Department newsletter, at meetings with developers, at City Hall and the library.
- d. Continuing to make information available to residents regarding home rehabilitation programs through Community Resources Newsletter and water bills and newspaper ads.
- e. Staff work to recruit and retain landlords for Section 8 Programs.

Responsibility: Housing Authority, Planning Department
Financing: Staff time and materials.
Objectives: General education and outreach
Time Frame: Development of fliers/brochures—ongoing; meetings—ongoing; fairs—ongoing.

Evaluation: 2002-03, staff has provided numerous flyers and brochures, and information in the Community Resources Newsletter on housing projects and programs; met with the Board of Realtors and held "Orientation Meetings" with the community as new affordable housing units become available; provided funding assistance to a Catholic Charities tenant/landlord counselor; and taught Disabled Adult Care classes at

Napa Valley College to inform family members how to obtain housing and support services for disabled adults.

In 2004 and 2005 Napa County celebrated Affordable Housing Week. In 2005, as a part of Affordable Housing week, work began on the formation of a new Local Trust Fund for businesses working with the Community Foundation. During a luncheon each year, Housing Hero awards are presented to entities who had worked to further affordable housing efforts. In 2004, awards went to the cities of Napa, American Canyon and the County of Napa for their efforts in meeting the State Housing Element requirements. In 2005, the award went to the Vintner's Association. In 2005, the Brown Street SRO contract will be renewed with HUD. This complex has a new owner who is dedicated to working with the tenants in their efforts to rehabilitate themselves and become self-sufficient. The local public access television station, Channel 28 – Napa TV – has partnered with the City of Napa to provide promotional information about non-profit agencies throughout Napa County and their efforts to enhance the lives of low-income residents.

H-5.M Housing Strategist Position. The City shall fund a position to facilitate affordable housing projects and implementation of Housing Element programs. This position would be responsible for educational efforts relating to all facets of housing and affordable housing; explaining and educating about specific proposed projects to neighborhood groups; writing grants for housing projects; housing sites analyses; identifying and promoting available incentives and inducements for affordable housing to private developers; monitoring, and generally assisting in the coordination and implementation of affordable housing programs.

Responsibility: City Manager, Housing Authority
Financing: Inclusionary Housing Fund, City general fund
Objectives: Improve implementation of Housing Element
Time Frame: 2002

Evaluation: Completed. The Housing Authority, after an evaluation of staffing needs, proposed a new Housing Technician position in the 2003-04 budget to assist existing staff in monitoring affordable housing agreements; provide increased outreach and to assist with numerous other activities to improve Housing Element implementation. That staff person was hired July 16, 2003.

H-5.N Local Revenue Sources. . The City Manager and staff will review financing options (a) through (e) below and any other financing sources in order to develop a financial strategy that will provide an ongoing local funding source for a City Housing Investment Fund.

- a. Existing local revenue sources:
 - ☐ Increases in Redevelopment Agency Housing Set Aside funds.
 - ☐ Reprioritizing CDBG Community Development funds.
 - ☐ Increases in TOT-generated general funds.
- b. Taxes: A 1/4 cent increase in the local sales tax and/or increases in the TOT (hotel) tax, implementation of a Real Estate Transfer Tax, or other taxes for the express purpose of supporting affordable housing, with the assistance of a Funding Committee. Such tax increases would require a 2/3 vote of the people.

- c. **Redevelopment Agency:** Possible formation of a new Redevelopment Agency Project Area with a major portion of any additional tax increment funds going to funding affordable housing projects.
- d. **Other:** Encourage employers to be active in finding solutions to housing. An example proposal of the latter — New and existing private and public employers would pay an affordable housing tax for each employee earning below moderate (120% of median) wages. A sliding scale, varying inversely with wage level, would set the amount of the tax. The employer would pay the tax, through the existing business tax mechanism, to a fund dedicated to subsidizing affordable housing for low income workers in Napa. If the employee lived inside Napa, the tax would be 50% lower than the tax paid for a similar employee living outside of Napa.

Responsibility: *City Manager's Office; Finance Director*
Financing: *As described*
Objectives: *Provide package of options for Council review; provide revenues*
Time Frames: *June, 2002, with substantial implementation of any new fees, taxes or special districts to raise revenues by 2003.*

Evaluation: In August, 2002, the City Manager and Finance Director presented potential funding enhancement ideas for affordable housing, streets and sidewalk repair, and police/fire protection. Seven different options were presented, including programs specifically targeted at providing additional revenues for affordable housing. The Council decided at that time to not pursue any of the recommended options and directed staff to keep looking at additional options. However, this report also identified how the City has provided substantial fee reductions and fee deferrals for affordable projects.

H-5.O Use of Funds. The City shall continue to utilize existing inclusionary fees, Local Housing Trust Fund fees, Redevelopment monies and other sources such as local revenue bonds, and continue to apply for State and Federal funds to be used for the development of housing affordable to very low, low and moderate income households, special needs housing and support services, first time homebuyer programs, retention of existing subsidized units as affordable, assisting very low and low income renters, rehabilitation of existing very low and low income units.

Responsibility: *City Housing Authority, Redevelopment Agency*
Financing: *Local, State and Federal sources including HOME funds, Mortgage Credit Certificate allocations, Low Income Housing Tax Credits, etc.*
Objectives: *Implementation of Housing Programs*
Time Frame: *Ongoing*

Evaluation: The City Housing Authority continues to utilize numerous local, state and federal sources including all of the sources noted above. In the November, 2002 election, a major bond initiative (Proposition 46) was passed by State voters to provide additional funds for Housing Projects. This bond measure provided a new source of funds for new local projects in the future, although the increase is far less than originally anticipated due to state budget cutbacks. In addition, as city building permit rates were more than 110% of the prior three years, the City qualified in 2003 to apply for Jobs/Housing Balance Incentive grants and was awarded \$169,000 in early 2005.

The Jobs/Housing Balance Incentive program is difficult to obtain as one criterion for funding specifies that the units have to have permits

pulled/completed in the *same calendar year* in which the unit(s) received approval, which is rare. It is unusual for larger projects to receive approval, line up funding and prepare improvement plans, and pull permits within the same calendar year; typically they are multi year projects. In addition, if a project receives approval late in the year, there may be only a few weeks to be under construction which is virtually impossible.

H-5.P Maximize Rental Subsidies. The City shall continue to utilize to the fullest extent possible, available Federal subsidies to residents through the Section 8 or subsequent rental assistance program. The Housing Authority will provide information to residents on the use of any new housing assistance programs which become available.

Responsibility: Housing Authority, Redevelopment Agency
Financing: Section 8 Family Self Sufficiency Program; Section 8 Voucher Program,
Objectives: 150 Additional Section 8 Vouchers for very low and low income renter family households and 37 additional Section 8 Vouchers/Choice Program for very low and low income elderly renters.
Time Frame: 1999-mid 2006

Evaluation: In 1999, 48 Housing Choice Vouchers were added to the program for very low income families, seniors and persons with disabilities. In 2000, the City received a 5 year grant for the Shelter Plus Care Program, adequate to serve 9 persons with disabilities; we were unable to renew this grant because the supportive service agencies were unable to come up with necessary matching funds to provide service to the clients. In 2003, the Housing Authority received 30 Mainstream Vouchers for persons with disabilities. (Also see H-4.D) The City has received no new Section 8 Vouchers from the beginning of 2004.

H-5.Q Public/Private Partnerships. The City shall encourage increased use of private resources to help meet identified housing needs.

- a. Encourage partnerships with local banks, making use of their Community Reinvestment Act requirements;
- b. Continue with "Silent Second" and "Sweat Equity" programs, reducing not only the down payment but also the cost of the house and relaxing the lending criteria of lenders.

Responsibility: Housing Authority
Financing: Private sources
Objectives: Increase coordination of private resources to achieve housing element goals
Time Frame: Ongoing

Evaluation: The Housing Authority worked in partnership with private developers of both The Vintage and The Reserve to assure affordability of those senior projects. In addition, the City often lobbies major banks for use of "Affordable Housing Program" reinvestment funds. Such funds were also utilized for the Jefferson Street project.

H-5.R Added Council Review. Evaluate the impacts of Council review of design review permits for apartments larger than 10 units to determine whether such review is acting as a constraint to the development of multi family housing.

Responsibility: Planning Department
Financing: Staff Time
Objectives: Review impacts of Council review of larger apartments
Time Frame January, 2004

Evaluation: Staff reviewed 8 apartment projects greater than 10 units in size that were submitted and approved since 2000. 6 of the 8 projects involved rezonings that require review by Council regardless of the design review permit thus there was no added time due to Council design review as the project permits were handled concurrently.

Of the two remaining projects, both projects were approved by Council within two weeks to a month of Commission review. One is likely to have been appealed to Council. All projects were approved. From the evidence to date, Council review does not appear to be a significant constraint to development of multi family housing.

- *Hawthorne Apartments (200 units).* This project involved a rezoning and would have gone to Council regardless of design review. The design of the apartments was not an issue but cumulative traffic in the area was. The Planning Commission recommended approval April 19, 2001. It was reviewed by Council on June 5 and approved July 3 after incorporating traffic mitigations.
- *La Homa Village included a 24 unit apartment.* This project involved a PD rezoning and would have gone to CC regardless of design review. It was recommended by the Commission on March 7, 2002 and approved by Council April 2, 2002.
- *Jefferson Street Apartments (78 senior low income units).* It involved a rezoning from "Public/Quasi Public" and would have gone to CC regardless of design review. It was recommended by the Commission on March 15, 2001 and was approved by Council April 3, 2001.
- *Montrachet Apartments (200 units)* was part of a larger planned development also involving single family attached homes, included a Planned Development rezoning and would have gone to the Council regardless of design review. The entire project was recommended by the Commission on December 6, 2001 and was approved by Council January 8, 2002. The Planning Commission recommended and Council required the Design Review of the apartments to go back to the Planning Commission to respond to a Commission concern with the absence of detail on the elevations. The Planning Commission reviewed and approved refined plans on June 6, 2002.
- *Sheveland Apartments (119 units)* was part of a larger planned development also involving single family attached homes, included a Planned Development rezoning and would have gone to the Council regardless of design review. The entire project was recommended by the Commission on July 10, 2002 and went to the Council on August 5. Traffic and access concerns required an added traffic report that was completed in September. The Council stated an intent to approve on September 16; final resolutions were adopted October 7, 2002.

- *Pueblo Orchard (14 units)* was a design review approval only. It was recommended by the Planning Commission September 5 and approved by the Council September 17, 2002.
- *Lincoln Gardens (30 units)* was recommended by the Commission April 18, 2002 and was approved by Council on May 21, 2002. Design was an issue with nearby neighbors and it is likely the project would have been appealed.
- *Magnolia Park Apartments (29 units)* included a General Plan Amendment and rezoning and would have gone to the Council regardless of design. It was recommended by the Commission August 21, 2003 with a condition that the project work on design concerns with the neighborhood, which occurred during an early September meeting. It was then approved by Council on September 23, 2003. (If the Council had not been reviewing it, the Commission would have had the project come back to them after the neighborhood meeting.)

Sources:

City Housing Authority: Peter Dreier, Jenny Gomez, Joe Wiencek, Doris Smith, Andrea Clark
 Planning Division files and information
 CIP and CDBG information: Larry Pollard, Public Works and Amy Williams, Community Resources Department